



1. General Working Agreement

This document defines the TERMS AND CONDITIONS (T&C) of our working relationship. All projects or services (“the work”) that AGENCY (or “we”) (milMedia Web Design and Hosting 4201 W. Stan Schlueter Loop, Killeen, TX 76549) may be contracted to produce or provide for CLIENT (or “you”) (Client Company) will be subject to—and you the undersigned agree to—the following:

We will begin work after CLIENT’s approval of the project Authorization To Proceed (ATP) and the T&C and after receipt of payment of the initial invoice (50% of project total unless otherwise defined in the ATP). Your signature/execution of the ATP and the T&C will constitute an AGREEMENT between us.

2. Payment / Estimates / Bids

CLIENT agrees to pay AGENCY in accordance with the terms specified in this document and the ATP. AGENCY requires receiving 50% of the project cost specified in the ATP before work can begin. This 50% deposit is non-refundable. Subsequent payments adhere to the following schedule, unless otherwise detailed in the project ATP: 50% due with notification of completion of the work, and before delivery of the project files/deliverables.

All payments are required. Unless otherwise specified, interest on past due balances is 18% per annum or 1.5% per month. We reserve the right to refuse completion or delivery of work until past due balances are paid.

Estimates & Bids: Unless otherwise specified, bid estimates are fixed and include only those elements detailed in the ATP. Billing will reflect the actual costs incurred. Estimates are valid only if signed within 30 days from date of estimate. Client-requested changes will be billed additionally. The client will be notified of any price changes.

3. Out-of-Pocket Expenses

Fees for professional services do not include outside purchases such as, but not limited to, printing, photography, stock images, color printouts, laminating, illustrations, separations,

shipping and handling or courier service. Note that all such expenses will only be charged if CLIENT has approved them prior to purchase.

If CLIENT should direct AGENCY at any time to cancel, terminate or “put on hold” any previously authorized out-of-pocket purchase, we will promptly do so, provided you hold AGENCY harmless for any cost incurred as a result.

4. Additions and Alterations

New work requested by CLIENT and performed by AGENCY after an ATP has been approved is considered an addition or alteration. If the job changes to an extent that substantially alters the specifications described in the original estimate, we will submit a project addendum to you, and both parties must agree to the revised or additional fee before further work proceeds.

5. Nature of Content

CLIENT agrees to exercise due diligence in its direction to us regarding preparation of content materials and must be able to substantiate all claims and representations. CLIENT is responsible for all trademark, service mark, copyright and patent infringement clearances. CLIENT is also responsible for arranging, prior to publication, any necessary legal clearance of materials we prepare in the scope of a project.

6. Errors & Omissions

It is the CLIENT'S responsibility to check proofs, comps, and other deliverables carefully for accuracy in all respects, ranging from spelling to technical illustrations. AGENCY is not liable for errors or omissions. Your signature or that of your authorized representative is required on all mechanicals, websites, or artwork prior to release for printing, digital publication, or other implementation.

7. Property & Suppliers' Performance

AGENCY will take all reasonable precautions to safeguard the property you entrust to us. In the absence of negligence on our part, however, we are not responsible for loss, destruction or damage or unauthorized use by others of such property. Although we may use our best efforts to

guard against any loss to you through the failure of our vendors, media, or others to perform in accordance with their commitments, AGENCY is not responsible for failure on their part.

If you select your own vendors, other than those recommended by us, you may request that we coordinate their work. If at all possible, we will attempt to do so, but we cannot in any way be held responsible for quality, price, performance or delivery.

8. Abuse of Relationship

If AGENCY has been contracted for design services and if during the project CLIENT introduces any other designer into the project or eschews the designs conceived of AGENCY's own processes or rejects AGENCY's design or design recommendations in favor of AGENCY's mere production or reproduction of designs submitted by CLIENT or a third party (including client-created mockups as design revision examples), AGENCY may choose to respond to this breach of contract by terminating the project.

By signing this AGREEMENT, you acknowledge that AGENCY will manage and run the project according to its own processes. Any attempt or requirement by CLIENT to define project process or otherwise run the project may result in project termination.

9. Rights of Ownership

According to the Copy right Law of 1976, the rights to all design and art work, including but not limited to printed or digital designs, photography, and or illustration created by independent photographers or illustrators retained by AGENCY, or purchased from a stock agency on your behalf, remain with the individual AGENCY, artist, photographer or illustrator. However, once an entire project has been fully paid for by CLIENT and delivered by us, AGENCY will assign the reproduction rights of the design for the use(s) described in the proposal. If no such specific uses are detailed in the proposal, upon payment in-full, all rights to and ownership of the work are assigned to CLIENT without reservation, except as follows:

We reserve the right to photograph, digitally reproduce and/or distribute or publish for our firms promotional and marketing needs any work we create for you, including mock-ups, screenshots, and comprehensive presentations, as samples for our portfolio, firm news letter, brochures, slide presentations and similar media. We agree to store copies of delivered project materials for a period of 90 days beyond the delivery of a job. Thereupon, we reserve the right to discard them.

10. Term & Termination

The term of this agreement will continue for work in progress until the project is concluded as outlined in the ATP, or until terminated by AGENCY or CLIENT upon written notice according to the following conditions:

10a: Breach of Contract

Upon CLIENT’s breach of contract, AGENCY may terminate the project upon written notice and will deliver all originally-CLIENT-owned intellectual property in AGENCY’s possession. In such case, CLIENT will be granted no right or license to the work. Upon AGENCY’s breach of contract, CLIENT may choose to terminate the project. In such case, AGENCY will deliver to CLIENT all property and project materials in AGENCY’s possession for which CLIENT has paid, as well as all originally-CLIENT-owned intellectual property in AGENCY’s possession. Thereupon, CLIENT has the contractually described right or license to the paid-for work. In such case, if CLIENT has paid for work not yet performed, AGENCY will refund the outstanding difference.

10b: Dissatisfaction

In the event CLIENT is dissatisfied with the quality of AGENCY’s work, CLIENT agrees to inform AGENCY of this dissatisfaction and allow AGENCY a reasonable chance to amend the issue. If after amendment, CLIENT remains dissatisfied with the quality of the work, CLIENT may choose to terminate the project. In such case, CLIENT will be granted no right or license to the work.

10c: Termination Without Just Cause

Upon non-breach-of-contract project cancellation by CLIENT, CLIENT will, in addition to any costs already paid, pay a “kill fee” of 20% of the total project cost outlined in the ATP within 15 days of the cancellation notice. In such case, CLIENT will be granted no right or license to the work. Upon non-breach-of-contract project cancellation by AGENCY, AGENCY will deliver to CLIENT all paid-for work and will refund 20% of the fees client has already paid to AGENCY during the course of the project in question.

Upon any planned-for or imposed termination of the project, CLIENT will indemnify and hold AGENCY harmless for any loss or expense (including attorney’s fees), and agree to defend AGENCY in any actual suit, claim or action arising in any way from our working relationship. This includes, but is not limited to assertions made against CLIENT and any of its products and services arising from the publication of materials that we prepare and you approve before publication.

11. Lien

All work performed and created for CLIENT for which CLIENT has not paid may be retained by AGENCY as security until all just claims against the CLIENT are satisfied.

12. Production Schedules

Production schedules will be established and adhered to by both CLIENT and the AGENCY, provided that neither shall incur any liability, penalty or additional cost due to delays caused by a state of war, riot, civil disorder, fire, labor trouble or strike, accidents, energy failure, equipment breakdown, delays in shipment by suppliers or carriers, action of government or civil authority, and acts of God or other causes beyond the control of the CLIENT or AGENCY. Where production schedules are not adhered to by the Client, final delivery date or dates will be adjusted accordingly.

Resources must be allocated by the AGENCY to fulfill CLIENT'S project needs according to schedule, as AGENCY is working on multiple projects at any given time. It is necessary that the CLIENT be available to provide approvals, feedback, content, or anything else outlined in the project ATP and otherwise maintain contact with the AGENCY during the project timeline.

If CLIENT fails to deliver necessary content, resources, or feedback by the time AGENCY deems crucial to any deadline, all deadlines and milestones (except payment milestones) will be adjusted accordingly.

CLIENT'S failure to meet timeline/milestone or content obligations for a period of 7 days or more will result in reallocation of AGENCY'S resources and work on the project will be delayed or may cease. Resuming work on the project will require a reassembly period that may equal the time of delay caused by the CLIENT. Please note that any adjustments to project deadlines or milestones caused by CLIENT behavior do not affect payment milestones. All payment will be required at the time(s) initially described in the ATP.

If CLIENT's inactive or unresponsive time exceeds a period of 30 days, this constitutes abandonment of the project. In such a case, CLIENT will be considered to have cancelled the project, subject to the consequences outlined in section 10 *Term and Termination* section. Thereupon, AGENCY can choose to cease further work on the project. In such case, CLIENT will be granted no right or license to the work and AGENCY is absolved of any obligation to resume the project.

13. Approvals

CLIENT acknowledges and agrees that regardless of the number of individuals involved in the project, **one individual** in their team/company will be appointed to have ultimate responsibility for approvals of the deliverables AGENCY will create and present. CLIENT further acknowledges and agrees that this one individual must be directly involved in the entire project and must participate in significant events during the project, including initial discovery meeting(s), initial design presentation(s), and any planning meetings.

In the event that deliverables are made available to CLIENT for approval and CLIENT fails to respond within 10 days to approve or reject, the deliverables are considered to be approved.

14. Additional Provisions

The validity and enforceability of this agreement will be interpreted in accordance with the laws of the State of Texas applicable to agreements entered into and performed in the State of Texas. This agreement is our entire understanding and may not be modified in any respect except in a mutually-executed addendum.

If we must retain attorneys to collect our invoices, we will be entitled to CLIENT's payment of reasonable attorney's fees, court costs, and interest at the maximum rate permitted by law.
